NCA
VOC FOR IOP/FN
BACKGROUNDER NO. 1-0229 FEBRUARY 24, 1976
DAVID LENT/BEIRUT

LEBANON'S MIDDLE EAST ECONOMIC ROLE

ANNCR:

AS LEBANON STRUGGLES TO GET BACK ON ITS FEET AGAIN, ECONOMICALLY, THERE IS GROWING EVIDENCE OF AN AWARENESS, IN LEBANON AND ELSEWHERE IN THE ARAB WORLD, THAT LEBANON MUST AND WILL RESUME ITS ROLE AS BANKING, TRADING TOURIST AND FINANCIAL CENTER FOR THE ARAB WORLD. V-O-A'S DAVID LENT REPORTS FROM BEIRUT.

VOICE:

THE CONSENSUS WHICH EMERGED FROM A WEEKEND MEETING IN KUWAIT OF ARAB COMMERCIAL, INDUSTRIAL AND AGRICULTURAL LEADERS IS THAT THE TIME HAS COME TO HELP THE LEBANESE ECONOMY RECOVER FROM THE RAVAGES OF TEN MONTHS OF CIVIL WAR. THE COUNCIL OF ARAB CHAMBERS OF COMMERCE, INDUSTRY AND AGRICULTURE URGED ARAB INVESTMENT COMPANIES TO INVEST IN LEBANON, AND OFFER LEBANESE COMPANIES LONG-TERM LOANS TO HELP SAVE THE LEBANESE ECONOMY. THE COUNCIL MEMBERS HEARD SOME RE-ASSURING NEWS FROM ADNAN QASSAR, HEAD OF THE BEIRUT CHAMBER OF COMMERCE AND INDUSTRY. HE SAID THAT BEIRUT WILL MAINTAIN ITS ROLE AS THE FINANCIAL CENTER OF THE AREA BECAUSE IT IS THE LINK BETWEEN EAST AND WEST, AND HE ASSURED KUWAITI INVESTORS THERE IS NO REASON FOR THEM TO WORRY ABOUT THEIR CAPITAL OR REAL ESTATE INVESTMENTS IN LEBANON.

A LEADING LEBANESE ECONOMIST, OIL AFFAIRS EXPERT AND MANAGEMENT CONSULTANT, DOCTOR MARWAN ISKANDAR, BELIEVES THERE IS NO ALTERNATIVE TO LEBANON AS A BANKING,

TRADE, AND FINANCIAL CENTER FOR THE ARAB WORLD.

TAPE: CUT ONE -- ISKANDAR

"ONE THING THAT HAS HELPED LEBANON INDIRECTLY IS THAT AN ALTERNATIVE, IN THE FULL MEANING OF THE WORLD, HAS NOT BEEN AVAILABLE IN THE MIDDLE EAST. THERE ARE A NUMBER OF PLACES THAT OFFER A NUMBER OF SERVICES, BUT NONE COULD ACCOMMODATE THE SAME NUMBER OF PEOPLE AND PROVIDE ALL THE SERVICES THAT THEY HAVE PROVIDED AT THE SAME TIME.

VOICE:

DOCTOR ISKANDAR BELIEVES THAT WHAT HAPPENED TO LEBANON WILL INTIMATELY AFFECT DEVELOPMENT ELSEWHERE IN THE ARAB WORLD.

TAPE: CUT TWO -- ISKANDAR

"THE DEMISE OF LEBANON IN MY OPINION WOULD MEAN THE DEMISE OF THE HOPES OF DEVELOPMENT IN THE EASTERN ARAB WORLD, FOR ONE SIMPLE REASON. THE LEBANESE HAVE THE INCENTIVE TO WORK IN THE EASTERN ARAB COUNTRIES WHEREAS THE BIG WESTERN CORPORATIONS MIGHT NOT HAVE TOO MUCH OF AN INTEREST BEYOND THE SALE OF CAPITAL GOODS, IN REALLY EXTENDING TECHNICAL ASSISTANCE AND PARTICIPATING IN SOME OF THE SMALLER OIL-RICH COUNTRIES. THEREFORE, WE DO HAVE THIS OPPORTUNITY TO CONTINUE TO DEVELOP IF WE REMAIN OPEN ON THE ARAB WORLD."

VOICE:

DOCTOR ISKANDAR ESTIMATES THAT IF EIGHTY PERCENT OF THOSE ACTIVATORS OF THE LEBANESE ECONOMY WHO HAVE LEFT THE COUNTRY RETURN, LEBANON CAN, WITHIN THREE YEARS, TURN OUT THE ECONOMIC PERFORMANCE IT WOULD HAVE BEEN CAPABLE OF LAST YEAR, HAD THE CIVIL WAR NOT INTERVENED.

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